

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 95-600-S - ORDER NO. 95-1516✓

SEPTEMBER 13, 1995

IN RE: Request of Driftwood Developers, Inc.)	ORDER GRANTING
to Abandon a Sewer System on)	REQUEST FOR
Lake Greenwood in Greenwood County,)	ABANDONMENT
South Carolina.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of James B. Jones, Jr. of Driftwood Developers (Driftwood or the Company) to abandon a sewer system located on Lake Greenwood.

For the reasons stated hereinafter, the Commission grants the abandonment conditioned on the acceptance of the system by an approved homeowners association.

Subsequent to the filing of the Application, the Commission's Executive Director instructed the Company to cause to be published a prepared Notice of Filing in newspapers of general circulation in the area affected by the Application, and also to furnish, by U. S. Mail, the same information to the customers of the system a Notice of Filing indicating the nature of the Application and advise all interested parties desiring to participate in these proceedings of the manner and time in which to file the appropriate pleadings for participation. Petitions to Intervene were filed by Lex D. Walters, Dan Walters, and the Driftwood

Property Owners Association, Inc.

A public hearing regarding this matter was held on August 31, 1995, in the Commission's Hearing Room, with the Honorable Rudolph Mitchell, Chairman, presiding. James B. Jones, Jr., appeared pro se; Lex D. Walters, Dan Walters, and the Driftwood Property Owners Association, Inc. were represented by Joseph M. Pracht, Esquire; and the Commission Staff was represented by F. David Butler, General Counsel.

James B. Jones presented his own testimony. James Britt testified for the Applicant. Lex D. Walters and Dan Walters testified as Intervenor. No witnesses were presented by the Commission Staff.

Mr. Jones testified that in the year 1985, he became involved as a partner in a development named Driftwood Developers located on Lake Greenwood. During the process of development and building of town houses, the development had to buy a wastewater treatment plant. A couple of years later, Mr. Jones became the sole owner, and he continued to build and sell town houses. A homeowners association was organized. Mr. Jones was later burned badly in an accident, and all the land left in the development had to be deeded back to the bank in lieu of foreclosure. The bank did not want the wastewater treatment plant. Therefore, Jones was left to operate and maintain this plant. Jones testified that operation and maintenance of the plant cost him about \$1,200 a month. Jones stated that with only 14 customers, and receipts of \$350 per month, he could not financially continue to operate the plant.

Jones states that he does not have ties with Driftwood anymore, and that he has tried to give the plant and land to the homeowners. Jones requests permission to abandon the wastewater treatment plant.

Lex D. Walters and Dan Walters testified. Dan Walters testified that he was the president of the homeowners association. It was stated that the homeowners association has approved the transfer of the wastewater treatment system to it. There was testimony by Walters that any expenses and other fees now claimed by Jones, including the \$1,040 in expenses claims since August, should not be awarded, since the homeowners have not accepted the transfer of the wastewater system at the time of the hearing. We take no position on whether or not Mr. Jones is entitled to these monies.

James Britt testified that he has an agreed upon right to tap onto the system at no charge. General Counsel attempted to submit the agreement between Mr. Britt and Driftwood into the record as evidence. Joseph M. Pracht objected. The Commission has examined the matter and believes that the agreement is not relevant to the issue of whether or not Jones should be allowed to abandon, and therefore, sustains the objection of Attorney Pracht. The Commission takes no position on Britt's claimed right in this case.

The Commission has examined this matter, and believes that, due to the expense accrued monthly, Mr. Jones should be allowed to abandon the plant. However, the Commission notes that the

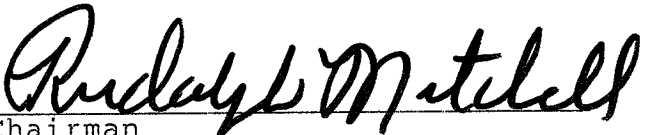
homeowners association has agreed to accept the plant, and that only minor details appear to be unsettled at this time. The Commission has examined all the circumstances in this case, and believes that it should authorize the transfer of the system from Jones to a Commission-approved homeowners association. Obviously, under this scenario, the homeowners association would have to apply to this Commission for certification, and for permission to run the present Driftwood wastewater system. A homeowners association may be declared not to be a utility under our Regulation 103-502.2. Should this transfer not take place within ninety (90) days from the date of this Order, we hereby hold that the parties must report back to the Commission as to their progress in transferring the system from Jones to the homeowners association. We believe that this solution is the fairest to all parties concerned.

IT IS THEREFORE ORDERED THAT:

1. The transfer of the Driftwood wastewater system is hereby authorized to an approved homeowners association as contemplated in the case at bar.
2. After the transfer to a Commission-approved homeowners association, Jones may abandon the system.
3. Should this transaction not take place within ninety (90) days from the date of this Order, the parties are instructed to report back to the Commission as to their progress towards transfer of the system.

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)